



Connecticut's Legislative Commission on Aging
A nonpartisan research and public policy office of the Connecticut General Assembly

Testimony of

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**On the Governor's Budget Related to Social Services
Appropriations Committee
February 14, 2014**

Thank you for this opportunity to comment on Governor Malloy's budget proposals related to social services.

My name is Julia Evans Starr, I'm the Executive Director of Connecticut's Legislative Commission on Aging (CoA). The CoA is the nonpartisan, public policy office devoted to preparing Connecticut for a significantly changed demographic and enhancing the lives of the present and future generations of older adults. For twenty years, CoA has served as an effective leader in statewide efforts to promote choice, independence and dignity for Connecticut's older adults and persons with disabilities. As part of our statutory mandate set forth in CGS §17b-420, we submit an annual Results Based Accountability Report and review and comment on proposed state legislation and budgetary issues.

Connecticut's Legislative Commission on Aging applauds Governor Malloy's commitment to "rebalance" the long-term care system and to uphold the US Supreme Court's *Olmstead* decision and Connecticut state law (CGS §17b-337). In short, *Olmstead* and state law require that individuals with long-term care needs have the option to choose and receive long-term services and supports in the least restrictive, appropriate setting. At the same time, we know that individual preference and desire is undeniably to live in ones home and community with services and supports (research substantiates this).

Many of the Governor's proposals are consistent with those originated and advanced by the Legislative Commission on Aging. The major mechanism for systems change continues to be the Money Follows the Person (MFP) program and its many facets. MFP is a multi-million-dollar systems change grant and the primary driver for long-term care reform in Connecticut. MFP's most notable attribute is that it transitions individuals of all ages from nursing homes into their homes and communities. In other words, the "Medicaid" money paying for their institutional care will now

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Network (CEAN)

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follow that person into the community. Through this rebalancing incentive grant, Connecticut receives enhanced FMAP money, additional grant money/technical support and yields a lower cost of care for each person (as stipulated in MFP protocol), while the individual gets to realize choice. So far, over 2,000 people in Connecticut have transitioned from nursing homes into the community under MFP.

Through this budget proposal, the Governor aims to advance long-term services and supports rebalancing by:

1) Expand Long-Term Services and Supports

- Supporting additional slots in Medicaid Home and Community-based waivers: namely 50 additional slots for the Home Care for the Disabled Adults pilot and 100 slots for the Katie Beckett Waiver. After the expansion of the of these two programs over 50 people will still remain on the Home Care Program for Disabled Adults and over 350 on the Katie Beckett waiting list.
- Pursuing the Community First Choice benefit authorized under the Affordable Care Act that offers states 6% additional Federal Medical Assistance Percentage on PCA services.
- Expanding supportive housing for people with mental illness (110 dedicated units).

2) Support Sufficient Provider Rates

- Supporting providers across the long-term services and supports continuum. *Governor's budget under capital investments an additional \$30 million for nonprofit human service providers for a total of \$50 mill in FY 2015*
- Support sustaining the physician provider rate increase.

Overall, the Governor's budget proposal represents continued forward motion of Connecticut's rebalancing efforts. The CoA hopes that the Legislature and the Governor will continue to support these initiatives, as long-term care is a highly complex, multi-faceted system requiring much more work. All reform efforts should strive to ***create parity and allow true consumer choice for people regardless of age, streamline systems and maximize state and federal dollars.***

We wanted to just highlight a few of the Legislative Commission on Aging's strategies that are worthy of your strong consideration moving ahead and not addressed in this budget which would represent strong diversion strategies. (In other words, provide support for people before they enter a nursing home and are then eligible to transition out under MFP after 3 months stay.)

1. **Streamline HCBS Medicaid Waivers:** Most of the home and community based waivers (PCA, ABI, Home Care Program for Disabled Adults, Katie Beckett, etc) are closed and have significant waiting lists. While MFP is making significant strides in transitioning consumers from institutions into the community, many people currently living in the community are denied access to services because of these caps and waiting lists. While we applaud the efforts underway through MFP and the Governor's proposed expansion of slots, underfunding HCBS waivers and not addressing the caps and waiting lists, results in higher long-term costs to the Medicaid long-term services and supports system. Additionally, lack of access to these waivers may be violation of the US Supreme Court's Olmstead Decision.

- 2) **Help People get better access to the Connecticut Home Care Program for Elders (CHCPE):** CHCPE represents the largest nursing home diversion program in the state (for people 65 years of age and older). Prioritizing maintenance of current funding and reducing/stabilizing co-payments is a wise investment. DSS estimated that the **CHCPE saved almost \$113 million for the State of Connecticut in FY '12 by avoiding nursing home placements.** In FY '12 the average care monthly cost for a person on the CT Home Care Program for Elders Medicaid waiver was \$1,706, compared to average monthly nursing facility cost of over \$6,000. However, the prolonged eligibility determination process for CHCPE (and other Medicaid community based waivers) puts individuals at risk of nursing home placement in a very tenuous and difficult situation. Currently these individuals are assessed by the access agencies and deemed eligible to receive services, but their financial eligibility needs to be processed. The delay in processing the applications – it can take up to 6 months - is causing harmful delays in their receiving needed services. Redeterminations are not being processed in a timely manner causing unnecessary cut off in benefits – with excessive delays in reinstatement. The consequences can be devastating and include: preventable institutionalization, caregiver burn-out/family strife, avoidable hospitalization. It is also important to note that these delays are problematic in other home and community based waivers as well.

Specifically, we recommend the following proposals:

- Create a system of providing presumptive eligibility in the Connecticut Home Care Program so that needed services can be provided without harmful delay.
- Create a centralized unit within DSS to determine eligibility expeditiously.
- In concert with establishing presumptive eligibility and a centralized unit, create a system of providing advanced payments to providers who are caring for people with excessive pending Medicaid applications (until such time as the long term Medicaid eligibility process is improved).

- 3) **Continued commitment to programs that support caregivers:** A consistent recommendation across State Plans and Studies (e.g. LTC Needs Assessment, LTSS Plan, Governor's recently released Rebalancing Plan) is to provide support for informal caregivers. Caregivers in Connecticut provide an estimated \$1 billion of unpaid care annually – and importantly, a higher quality of life to their spouses, neighbors, parents and friends. Research clearly indicates that supporting informal caregivers with programs such as the **Alzheimer's Respite Care Program**, is critical to keeping individuals out of nursing homes; it keeps caregivers healthy, and allows families to utilize various options in respite allowing for more cost effective solutions.

The Legislative Commission on Aging welcomes the opportunity to discuss further with the committee these and other rebalancing strategies. In these difficult budget times, research-based initiatives, statewide planning efforts, vision and creative thinking are all needed. The Legislative Commission on Aging stands ready to assist our state in finding solutions to our fiscal problems, while providing accountability in state government and improving the quality of life for all. Thank you.